Approved For Release 01/08/08 CIA-RDP79R00890A000900040009-5

NSC BRIEFING

23 December 1957

Ouatemala

- I. Return of Communist influence remains principal issue in

 19 January elections for president and half seats in congress.
 - A. Anti-Communist position has been strengthened in past week by formation of centrist coalition backing Lt Col Jose CRUZ Salazar, but he is by no means assured of absolute majority of popular vote.
- II. CRUZ Salazar, ambassador to US from 1954 till recently, is strongly anti-Communist, pro-US, politically ambitious.
 - A. Only 36, he served in defense ministry under Arbenz but later helped oust him; is forceful, reputedly good leader, but little known to Guatemalan public.
 - B. Cruz is backed by tenuously united group of 8 center parties headed by late Castillo Armas' National Democratic Movement which apparently still has significant organizational strength.
 - Coalition encompasses wide range of views and is likely to split after election.
- III. Marko MENDEZ Montenegro, candidate of Communist-infiltrated Approved For Release 2001/08/08: CIA-RDP79R00890A000900040009-5

Revolutionary Party (PR), claims to be anti-Communist but has made no move to purge his party.

- A. A member of the most moderate of parties supporting the leftist Arevalo regime (1944-1951), Mendez was mayor and policy chief of Guatemala City until 1949 when he was implicated in an unsuccessful revolt against Arevalo. After ouster of Arbenz regime he became active in non-Communist faction of Guatemalan exiles in Mexico City.
- B. PR attracts wide support as embodiment of ideals of 1944
 revolution. It is leftist and Communist-infiltrated, particularly
 in the lower echelons, and Communist influence seems to be
 increasing since the present government permitted extensive
 return of exiles following annulled 20 October elections.
- IV. Rightist General Miguel YDIGORAS Fuentes has a large personal following and will tend to split the anti-Communist vote.
 - A. He held important offices under Ubico, conspired against Arbenz, was "exiled" by Castillo to diplomatic posts from 1954 to 1357.
 - B. Though he has extensive support among landholding and business interests, the large number of votes 36% of the total he received as an anti-government candidate in the October 1957 elections probably included those of many PR members whose party was not permitted to run.
- V. If no presidential candidate gets an absolute popular majority, constitution requires congress to choose between the two highest.
 - A. Because of center party strength in congress this decision would probably be for Crus, but he would start his 6-year term stigmatized in public opinion as minority resident.

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- VI. Meanwhile, army remains divided in its political sympathies and several rightist groups are reported plotting a pre-election revolt.
 - A. Most officers, however, are believed desirous of awaiging the election outcome.

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